10/23/86 A8050-1
A

News Release

FOR RELEASE: October 27, 1986
Contact: Charles Pollock
Michael Codel

MACHINE TOOL ORDERS FOR SEPTEMBER DOWN 12.7%

The National Machine Tool Builders' Association reported today that September orders for new machine tools totalled just over $134.75 million, down 12.7% from August. Metal cutting machine tool orders for the month fell by 13.1% while orders for metal forming equipment fell by 11.6%. Compared to September a year ago this represents a 22.6% drop.

Year-to-date figures for 1986 totalled $1,675.50 million, a drop of 13.1% from the $1,928.10 million for the same period in 1985. Metal cutting machine tool orders were down 11.8% for the year and metal forming equipment orders dropped 16.5%.

"Quite frankly, we were surprised by the September figures," said James A. Gray, president of the National Machine Tool Builders' Association. "We have just put one of the most successful machine tool trade shows ever under our belt, but this doesn't seem to be reflected in our statistics. We know that the auto industry is curtailing its spending and that most of our other major customer industries have, at best, flat capital spending plans. Our numbers are simply reflecting the reality of today's manufacturing environment. This industry stands

(more)

ready to supply manufacturing with the best, the most productive machine tools in the world. Unfortunately, the economic fundamentals that would spur U.S. firms to invest just do not appear to be in place."

September shipments of machine tools rose 37.5% for the month to a total of $208.10 million. This represents a 49.6% rise in metal cutting shipments and a 7.1% rise in metal forming shipments. However, compared to the same month a year ago, total shipments were down 14.7%, metal cutting shipments were down 7.4% and metal forming shipments were down 33.1%. Year-to-date combined shipments rose 7.1%, up to $1,897.80 million from $1,772.40 million for 1985.

Machine tool order backlogs for September fell to $1,435.25 million from the $1,508.60 million posted in August.

# # #

COMPARISON CHART

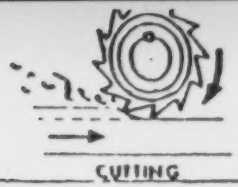
NET NEW ORDERS -- MACHINE TOOLS
(Millions of Dollars)

	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
SEP 1986	89.80	10.20	100.00	23.50	11.25	34.75	113.30	21.45	134.75
AUG 1986	108.60	6.50	115.10	30.40	8.90	39.30	139.00	15.40	154.40
% CHANGE									
SEP 1986:AUG 1986	-17.3	+56.9	-13.1	-22.7	+26.4	-11.6	-18.5	+39.3	-12.7
SEP 1985	108.25	15.85	124.10	36.60	13.40	50.00	144.85	29.25	174.10
% CHANGE									
SEP 1986:SEP 1985	-17.0	-35.6	-19.4	-35.8	-16.0	-30.5	-21.8	-26.7	-22.6
YEAR TO DATE 1986	1,111.55	130.50	1,242.05	382.85	50.60	433.45	1,494.40	181.10	1,675.50
YEAR TO DATE 1985	1,244.45	164.50	1,408.95	466.60	52.55	519.15	1,711.05	217.05	1,928.10
% CHANGE									
1986 : 1985	-10.7	-20.7	-11.8	-17.9	-3.7	-16.5	-12.7	-16.6	-13.1

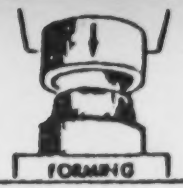
SHIPMENTS -- MACHINE TOOLS
(Millions of Dollars)

	METAL CUTTING			METAL FORMING			TOTAL Cutting and Forming		
	Domestic	Foreign	Total	Domestic	Foreign	Total	Domestic	Foreign	Total
SEP 1986	142.90	19.05	161.95	40.35	5.80	46.15	183.25	24.85	208.10
AUG 1986	92.50	15.75	108.25	39.05	4.05	43.10	131.55	19.80	151.35
% CHANGE									
SEP 1986:AUG 1986	+54.5	+21.0	+49.6	+3.3	+43.2	+7.1	+39.3	+25.5	+37.5
SEP 1985	158.60	16.35	174.95	62.20	6.80	69.00	220.80	23.15	243.95
% CHANGE									
SEP 1986:SEP 1985	-9.9	+16.5	-7.4	-35.1	-14.7	-33.1	-17.0	+7.3	-14.7
YEAR TO DATE 1986	1,222.90	152.70	1,375.60	481.10	41.10	522.20	1,704.00	193.80	1,897.80
YEAR TO DATE 1985	1,084.55	100.55	1,185.10	542.95	44.35	587.30	1,627.50	144.90	1,772.40
% CHANGE									
1986 : 1985	+12.8	+51.9	+16.1	-11.4	-7.3	-11.1	+4.7	+33.7	+7.1

Source: National Machine Tool Builders' Association



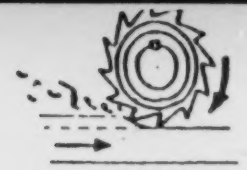
TOTAL INDUSTRY ESTIMATE
MACHINE TOOLS - CUTTING AND FORMING
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)



DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog	SHIPMENTS Domestic	Foreign	Total
1985	$ 2,262.15	$ 265.95	$ 2,528.10	1,657.55	$ 2,291.45	$ 253.75	$ 2,545.20
1986							
JAN	$ 174.95	$ 15.80	$ 190.75	1,702.45	$ 124.85	$ 21.00	$ 145.85
FEB	$ 198.25	$ 12.15	$ 210.40	1,710.20	$ 185.65	$ 17.00	$ 202.65
MAR	$ 196.80	$ 17.80	$ 214.60	1,676.00	$ 219.30	$ 29.50	$ 248.80
APR	$ 169.25	$ 24.00	$ 193.25	1,659.70	$ 190.80	$ 18.75	$ 209.55
MAY	$ 177.00	$ 29.20	$ 206.20	1,636.35	$ 207.10	$ 22.45	$ 229.55
JUN	$ 190.55	$ 10.60	$ 201.15	1,525.60	$ 289.00	$ 22.90	$ 311.90
JUL	$ 135.30	$ 34.70	$ 170.00	1,505.55	$ 172.50	$ 17.55	$ 190.05
AUG	$ 139.00	$ 15.40	$ 154.40	1,508.60	$ 131.55	$ 19.80	$ 151.35
SEP (P)	$ 113.30	$ 21.45	$ 134.75	1,435.25	$ 183.25	$ 24.85	$ 208.10
9 MONTHS	$ 1,494.40	$ 181.10	$ 1,675.50		$ 1,704.00	$ 193.80	$ 1,897.80

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985	$ 2,433.30	$ 282.65	$ 2,715.95	$ 171.15	$ 16.70	$ 187.85
1986						
JAN	$ 180.65	$ 17.20	$ 197.85	$ 5.70	$ 1.40	$ 7.10
FEB	$ 214.85	$ 14.65	$ 229.50	$ 16.60	$ 2.50	$ 19.10
MAR	$ 203.35	$ 18.40	$ 221.75	$ 6.55	$ .60	$ 7.15
APR	$ 181.10	$ 24.45	$ 205.55	$ 11.85	$ .45	$ 12.30
MAY	$ 183.50	$ 29.50	$ 213.00	$ 6.50	$ .30	$ 6.80
JUN	$ 215.90	$ 15.20	$ 231.10	$ 25.35	$ 4.60	$ 29.95
JUL	$ 164.25	$ 35.30	$ 199.55	$ 28.95	$ .60	$ 29.55
AUG	$ 149.05	$ 16.50	$ 165.55	$ 10.05	$ 1.10	$ 11.15
SEP (P)	$ 143.45	$ 22.15	$ 165.60	$ 30.15	$ .70	$ 30.85
9 MONTHS	$ 1,636.10	$ 193.35	$ 1,829.45	$ 141.70	$ 12.25	$ 153.95

P - Preliminary
NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.



INDUSTRY ESTIMATE
METAL CUTTING TYPE MACHINE TOOLS
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)

DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog	SHIPMENTS Domestic	Foreign	Total
1985	$ 1,652.15	$ 200.95	$ 1,853.10	1,243.30	$ 1,548.50	$ 193.75	$ 1,742.25
1986							
JAN	$ 124.75	$ 10.25	$ 135.00	1,286.80	$ 74.05	$ 17.45	$ 91.50
FEB	$ 160.65	$ 7.95	$ 168.60	1,331.50	$ 109.50	$ 14.40	$ 123.90
MAR	$ 146.05	$ 13.85	$ 159.90	1,319.85	$ 148.20	$ 23.35	$ 171.55
APR	$ 118.30	$ 17.85	$ 136.15	1,303.90	$ 140.05	$ 12.05	$ 152.10
MAY	$ 118.50	$ 23.20	$ 141.70	1,273.15	$ 153.10	$ 19.35	$ 172.45
JUN	$ 145.65	$ 11.15	$ 156.80	1,185.15	$ 226.70	$ 18.10	$ 244.80
JUL	$ 99.25	$ 29.55	$ 128.80	1,164.85	$ 135.90	$ 13.20	$ 149.10
AUG	$ 108.60	$ 6.50	$ 115.10	1,171.70	$ 92.50	$ 15.75	$ 108.25
SEP (P)	$ 89.80	$ 10.20	$ 100.00	1,109.75	$ 142.90	$ 19.05	$ 161.95
9 MONTHS	$ 1,111.55	$ 130.50	$ 1,242.05		$ 1,222.90	$ 152.70	$ 1,375.60

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985	$ 1,769.20	$ 213.45	$ 1,982.65	$ 117.05	$ 12.50	$ 129.55
1986						
JAN	$ 129.30	$ 11.45	$ 140.75	$ 4.55	$ 1.20	$ 5.75
FEB	$ 165.70	$ 9.95	$ 175.65	$ 5.05	$ 2.00	$ 7.05
MAR	$ 150.55	$ 14.30	$ 164.85	$ 4.50	$ .45	$ 4.95
APR	$ 127.40	$ 18.25	$ 145.65	$ 9.10	$ .40	$ 9.50
MAY	$ 122.75	$ 23.45	$ 146.20	$ 4.25	$ .25	$ 4.50
JUN	$ 159.55	$ 11.95	$ 171.50	$ 13.90	$ .80	$ 14.70
JUL	$ 116.50	$ 30.10	$ 146.60	$ 17.25	$ .55	$ 17.80
AUG	$ 114.30	$ 7.55	$ 121.85	$ 5.70	$ 1.05	$ 6.75
SEP (P)	$ 110.25	$ 10.85	$ 121.10	$ 20.45	$ .65	$ 21.10
9 MONTHS	$ 1,196.30	$ 137.85	$ 1,334.15	$ 84.75	$ 7.35	$ 92.10

P - Preliminary

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.

INDUSTRY ESTIMATE
METAL FORMING TYPE MACHINE TOOLS
New Orders, Cancellations, Shipments and Backlog
(Millions of Dollars)

DATE	NET NEW ORDERS Domestic	Foreign	Total	Order Backlog	SHIPMENTS Domestic	Foreign	Total
1985	$ 610.00	$ 65.00	$ 675.00	414.25	$ 742.95	$ 60.00	$ 802.95
1986							
JAN	$ 50.20	$ 5.55	$ 55.75	415.65	$ 50.80	$ 3.55	$ 54.35
FEB	$ 37.60	$ 4.20	$ 41.80	378.70	$ 76.15	$ 2.60	$ 78.75
MAR	$ 50.75	$ 3.95	$ 54.70	356.15	$ 71.10	$ 6.15	$ 77.25
APR	$ 50.95	$ 6.15	$ 57.10	355.80	$ 50.75	$ 6.70	$ 57.45
MAY	$ 58.50	$ 6.00	$ 64.50	363.20	$ 54.00	$ 3.10	$ 57.10
JUN	$ 44.90	$ -.55	$ 44.35	340.45	$ 62.30	$ 4.80	$ 67.10
JUL	$ 36.05	$ 5.15	$ 41.20	340.70	$ 36.60	$ 4.35	$ 40.95
AUG	$ 30.40	$ 8.90	$ 39.30	336.90	$ 39.05	$ 4.05	$ 43.10
SEP (P)	$ 23.50	$ 11.25	$ 34.75	325.50	$ 40.35	$ 5.80	$ 46.15
9 MONTHS	$ 382.85	$ 50.60	$ 433.45		$ 481.10	$ 41.10	$ 522.20

DATE	GROSS NEW ORDERS Domestic	Foreign	Total	CANCELLATIONS Domestic	Foreign	Total
1985	$ 664.10	$ 69.20	$ 733.30	$ 54.10	$ 4.20	$ 58.30
1986						
JAN	$ 51.35	$ 5.75	$ 57.10	$ 1.15	$ .20	$ 1.35
FEB	$ 49.15	$ 4.70	$ 53.85	$ 11.55	$ .50	$ 12.05
MAR	$ 52.80	$ 4.10	$ 56.90	$ 2.05	$ .15	$ 2.20
APR	$ 53.70	$ 6.20	$ 59.90	$ 2.75	$ .05	$ 2.80
MAY	$ 60.75	$ 6.05	$ 66.80	$ 2.25	$ .05	$ 2.30
JUN	$ 56.35	$ 3.25	$ 59.60	$ 11.45	$ 3.80	$ 15.25
JUL	$ 47.75	$ 5.20	$ 52.95	$ 11.70	$ .05	$ 11.75
AUG	$ 34.75	$ 8.95	$ 43.70	$ 4.35	$ .05	$ 4.40
SEP (P)	$ 33.20	$ 11.30	$ 44.50	$ 9.70	$ .05	$ 9.75
9 MONTHS	$ 439.80	$ 55.50	$ 495.30	$ 56.95	$ 4.90	$ 61.85

P - Preliminary

NOTE: This table includes industry estimate figures based on reports submitted to the National Machine Tool Builders' Association. These industry estimates have not been adjusted for change in the value of the dollar.